

91st Legislative Session – 2016

Committee: Senate Transportation

Monday, February 22, 2016

P - Present
E - Excused
A - Absent

Roll Call

P Hunhoff (Bernie)
P Otten (Ernie)
P Peterson (Jim)
P Shorma
P Solano
P Monroe, Vice-Chair
P Vehle, Chair

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Chair, Senator Vehle.

MOTION: TO APPROVE THE MINUTES OF FRIDAY, FEBRUARY 19TH.

Moved by: Otten (Ernie)
Second by: Shorma
Action: Prevailed by voice vote.

SB 141: revise the distribution of petroleum release compensation and tank inspection fees, to provide funding for the local bridge improvement grant fund, and to repeal the state capital construction fund, ethanol fuel fund, and ethanol infrastructure incentive fund.

Presented by: Senator Vehle (Handout: #1)
Proponents: Representative Duvall
Hunter Roberts, Governor's Office
Darin Bergquist, Department of Transportation
Steve Pirner, Department of Environment and Natural Resources
Harry Christensen, South Dakota Ethanol Producers
Deb Mortenson, Associated General Contractors of South Dakota
Roger Tellinghuisen, South Dakota Association of County Commissioners

Yvonne Taylor, SD Municipal League
Brenda Forman, South Dakota Association of Cooperatives
Opponents: Dawna Leitzke, SD Petroleum and Propane Marketers Association (Handout: #2)
Steve Willard, American Petroleum Institute

MOTION: AMEND SB 141

141fc

On page 3, line 16, of the printed bill, after "." insert "If a facility is unable to distill ethyl alcohol due to a force majeure, the payment shall be based on claims submitted for that month in the previous year. For purposes of this section, the term, force majeure, means any cause or event that renders a facility wholly or partly unable to produce ethyl alcohol and is neither reasonably within the control of the facility nor the result of the fault or negligence of the facility. The term includes natural disasters, accidents, and acts of any governmental authority.".

On page 4, line 10, delete "Seventy-one" and insert "Sixty-four and six-tenths".

On page 4, line 15, delete "Seven" and insert "Six and four-tenths".

On page 4, line 17, delete "Twenty-two" and insert "Twenty-nine".

On page 5, line 21, delete "twenty-eight" and insert "forty-one".

On page 5, line 22, delete "seventy-two" and insert "fifty-nine".

On page 6, between lines 1 and 2, insert:

" Section 9. That the code be amended by adding a NEW SECTION to read:

If the balance of the petroleum release compensation fund is less than two million dollars following a monthly deposit pursuant to § 34A-13-20, a transfer shall be made from the state highway fund to the petroleum release compensation fund in an amount that brings the balance of the petroleum release compensation fund to two million five hundred thousand dollars. Following a monthly deposit pursuant to § 34A-13-20, any balance above four million dollars in the petroleum release compensation fund shall be transferred to the state highway fund.

Section 10. That § 10-47B-164.1 be repealed.

~~10-47B-164.1. There is hereby established the ethanol infrastructure incentive fund to receive funds transferred from the ethanol fuel fund pursuant to § 10-47B-164. Any money in the ethanol infrastructure incentive fund is continuously appropriated for the following purposes:~~

- ~~— (1) — To award incentive grants to motor fuel retail dealers as defined in § 10-47B-3 for the purpose of entering into contracts for the purchase or installation, or for the purchase and installation, of ethanol blender pumps and associated piping and storage systems and related equipment to be used at facilities operated by the motor fuel retail dealers for the sale of motor fuel to the public;~~
 - ~~— (2) — To award incentive grants to motor fuel retail dealers as defined in § 10-47B-3 for the purpose of entering into contracts for the purchase, or the purchase, of pumps and pump equipment authorized to dispense gasoline containing up to and including eighty-five percent ethanol;~~
 - ~~— (3) — To award incentive grants to encourage the purchase of flex fuel vehicles;~~
 - ~~— (4) — To encourage the increased use of ethanol in South Dakota; and~~
 - ~~— (5) — To otherwise encourage the installation of infrastructure related to sale and distribution of ethanol.~~
- ~~— The Governor's Office of Economic Development shall establish, by rules promulgated pursuant to chapter 1-26, such regulations and procedures as are necessary to implement this section. For the purposes of this section, the term, ethanol blender pump, refers to a mechanism provided by the retail dealer for the dispensing at retail as defined in § 10-47B-3 of ethanol blend so that the end user may choose a particular grade of ethanol to gasoline to be dispensed. The Governor's Office of Economic Development may use up to five percent of any amount appropriated to the ethanol infrastructure incentive fund for administration of the fund or any incentive programs established by this section.~~

Section 11. That § 10-47B-164.2 be repealed.

- ~~— 10-47B-164.2. The Governor's Office of Economic Development may promulgate rules pursuant to chapter 1-26 concerning the ethanol infrastructure incentive fund as follows:~~
- ~~— (1) — The submission of grant applications for the ethanol infrastructure incentive fund;~~
 - ~~— (2) — Eligibility criteria for grants from the ethanol infrastructure incentive fund;~~
 - ~~— (3) — Application procedures for grants from the ethanol infrastructure incentive fund;~~
 - ~~— (4) — Criteria for determining which applicants will receive grants from the ethanol infrastructure incentive fund; and~~
 - ~~— (5) — Follow-up reporting to the Governor's Office of Economic Development by grant recipients.~~

Section 12. Sections 10 and 11 of this Act are effective on July 1, 2017."

On page 6, line 2, delete "sections 3 to 8" and insert "sections 3 to 9".

Moved by: Otten (Ernie)
Second by: Shorma
Action: Prevailed by voice vote.

MOTION: DO PASS SB 141 AS AMENDED

Moved by: Peterson (Jim)
Second by: Hunhoff (Bernie)
Action: Prevailed by roll call vote. (5-2-0-0)

Voting Yes: Hunhoff (Bernie), Peterson (Jim), Solano, Monroe, Vehle

Voting No: Otten (Ernie), Shorma

Recess for 5 minutes.

SB 156: establish certain requirements and protections regarding transportation network companies.

Presented by: Senator Vehle
Proponents: Jenna Howell, Department of Public Safety
Yvonne Taylor, SD Municipal League
Mike Shaw, Property Casualty Insurers Association of America
Drew Duncan, South Dakota Insurance Alliance and Dakotacare

MOTION: AMEND SB 156

156fb

On the previously adopted amendment (156fa), in subdivision (1) of Section 1, delete "software,".

On the previously adopted amendment (156fa), in the last sentence of the first paragraph of Section 29, after "rules" insert ", pursuant to chapter 1-26,".

Moved by: Shorma
Second by: Peterson (Jim)
Action: Prevailed by voice vote.

MOTION: DO PASS SB 156 AS AMENDED

Moved by: Shorma
Second by: Peterson (Jim)
Action: Prevailed by roll call vote. (4-0-3-0)

Voting Yes: Peterson (Jim), Shorma, Monroe, Vehle

Excused: Hunhoff (Bernie), Otten (Ernie), Solano

MOTION: ADJOURN

Moved by: Vehle

Second by: Shorma

Action: Prevailed by voice vote.

Lois Henry
Committee Secretary

Mike Vehle, Chair